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BEFORE THE ARIZONA CORPORATION COMMISSION

Jim Irvin

Chairman

Renz D. Jennings

Commissioner

Carl Kunasek

Commissioner

DOCKETED

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IN THE MATTER OF COMPETITION IN THE)
 PROVISION OF ELECTRIC SERVICES)
 THROUGHOUT THE STATE OF ARIZONA)

DOCKET NO.
 RE-00000C-94-0165

ACAA's RECOMMENDATIONS FOR RULE CHANGES

Arizona Community Action Association makes the following recommendations to the proposed rule:

R14-1601. Definitions.

8. Consumer Education is impartial information provided to consumers about competition or competitive services and is distinct from advertising and marketing.

R14-1604. Competitive Phases.

C. Each Affected Utility shall offer a residential phase-in program with the following components:

1. A minimum of ~~1/2~~ of 1% of residential customers will have access to competitive electric services on January 1, 1999. The number of customers eligible in the residential phase-in program shall increase by an additional ~~1/2~~ of 1% every quarter until January 1, 2001.

4. Each Affected Utility shall file a Residential Phase-In Program Proposal to the Commission for approval by Director, Utilities Division by September 15, 1998. **Interested parties will have until September 29th, 1998 to comment on the proposals. The Consumer Information Advisory Panel will assist the Director in reviewing all education and marketing materials for meeting minimum standards of clarity and fairness. The Panel will consist of two residential consumers and one representative of: RUCO, the Attorney General, ACAA, an Affected Utility, an Energy Service Provider, a commercial customer, and Staff.**

At a minimum, the Residential Phase-In Program Proposal will include specifics concerning the Affected Utility's proposed:

- a. Process for customer notification of Residential Phase-In Program;
- b. Selection and tracking mechanism for customers based on first-come, first-served method;
- c. Customer notification process and other **education and information services** to be offered;

5.c. A description **and examples** of all customer education programs and other information services including **goals of education program** and a discussion of the effectiveness of the programs; and,

- d. An overview of comments and survey results from participating residential customers **and a performance evaluation of the education effort.**

D. Each Affected Utility shall file a report detailing possible mechanisms to provide benefits, such as rate reductions of 3% - 5%, **over and above those already planned**, to all customers determined not to be eligible for competitive electric services directly or through aggregation in a manner consistent with R14-2-1604 (B). **It is the intent of the Commission that customers not able to participate in the competitive market see real benefits in lieu of competitive opportunities.**

R14-2-1606. Services Required To Be Made Available by Affected Utilities.

- A. Until the Commission determines that competition has been substantially implemented for a particular class of consumers (residential, commercial, industrial) so that all consumers in that class have **an reasonable** opportunity to participate in the competitive market, ~~and until all Stranded Costs pertaining to that class of customers have been recovered~~, each Affected Utility shall make available to all consumers in that class in its service area, as defined on the date indicated in R14-2-1602, Standard Offer bundled generation, transmission, ancillary, distribution, and other necessary services at regulated rates.
- B. After January 1, 2001 Standard Offer service shall be provided by utility distribution companies. **Energy Service Providers may file a tariff for Commission approval to provide Standard Offer service as long as the**

services are at least equal to that provided by a utility distribution company in that same territory.

E. To manage its risks, an Affected Utility may include in its tariffs **reasonable** deposit requirements **for all customers** and advance payment requirements for Unbundled Services **for Commercial and Industrial customers.**

R14-2-1618. Information Disclosure Label

F. Terms of Service Requirement.

1.b. Length and kind of contract;

c. provisions and conditions for early termination by either party;

R14-2-210 BILLING AND COLLECTION

E. Meter Error Corrections

1.a. If the date of the meter error can be definitely fixed, the utility shall adjust the customer's billings back to that date. If the customer has been underbilled, the Company will allow the customer to repay this difference over an equal length of time that the underbillings occurred. **Under extenuating circumstances, the repayment period may be extended.** The customer ~~may~~ **shall** be allowed to pay the backbill without late payment penalties, unless there is evidence of meter tampering or energy diversion.

1.b. STRIKE LAST SENTENCE.

**Original and ten copies of
the foregoing filed this
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